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 IDAHO PUBLIC UTILITIES COMMISSION

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION) OF PACIFICORP DBA UTAH POWER &) LIGHT COMPANY FOR APPROVAL OF) AMENDED ELECTRIC SERVICE SCHEDULE)) 72—IRRIGATION LOAD CONTROL CREDIT)) RIDER PROGRAM) _____)	Case No. PAC-E-03-03 IDAHO IRRIGATION PUMPERS ASSOCIATION, INC'S COMMENTS RE: AMENDED SCHEDULE 72
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COMES NOW the Idaho Irrigation Pumpers Association, Inc. ("Irrigators"), through undersigned counsel, and hereby respectfully submits its comments on PacifiCorp's proposed Irrigation Load Control Credit Rider Program.

In reaching the settlement in PAC-E-02-1, the Irrigators and PacifiCorp agreed that PacifiCorp would work with the irrigators as a class to develop an optional load control program for the 2003 and succeeding irrigations seasons. The rationale for the request was to provide an option for irrigators to reduce their power costs primarily in situations where a significant portion of an individual irrigator's load did not benefit from the BPA Exchange Credit. The Irrigators have participated in the meetings that PacifiCorp held on this issue on December 5, 2002 and January 17, 2003 and believe that PacifiCorp has worked in good faith to develop a workable load control program, particularly with respect to the load control conditions. In general, the Irrigators support the implementation of the optional load control program, subject to the clarifications or further study requested herein.

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The Irrigators' primary concern with PacifiCorp's filing is that the methodology for determining the Load Control Service Credit ("LCSC") has not been flushed out by PacifiCorp such that a determination can be made as to how the LCSC is determined. As a result, the filing does not give sufficient information to determine if PacifiCorp is offsetting the interruption savings with its projected lost revenue as a result of the interruption. It also does not indicate whether the LCSC is determined solely on the cost of avoided market power purchases or the cost of the avoided supply side resource, or some combination of both. The filing also provides PacifiCorp with the discretion to arbitrarily set the separate components of the LCSC, e.g., the participation portion and the kWh portion, at zero for any given year. This makes it very hard for an irrigator to determine what the long-term benefit would be from participating in the program, especially if he has to initially invest in acquiring the necessary load control devices. The Irrigators recommend (1) that some base participation credit be set under the program such that the irrigators could better quantify the minimum benefits of participating in the program from year to year and (2) that further information be provided as to how the value of the interruptibility credit is determined such that the Irrigators can further address this point before the Commission in light of the principals recently established in PAC-E-01-16.

Another concern with the filing is that there is no information provided by PacifiCorp as to what the terms and conditions of the Load Control Service Agreement will be. This needs to be reviewed by the Commission and interested parties to ensure that said agreement is understandable and fair to all the parties.

The filing also seems to indicate that there will be additional costs, in the form of new load control devices, incurred by the irrigators in order to participate in the program. It is the Irrigators' understanding that the necessary load control devices should, for the most part,

already be in place. Thus, PacifiCorp needs to clarify whether it is requiring new load control devices, and if so, why such devices are considered necessary for the operation of the program.

Finally, the Irrigators believe that a review of the actual benefits of the load control program should be conducted annually. This will allow the interested parties to assess participation from the irrigators and quantify the benefit to PacifiCorp and its customers. Thus, the Irrigators would recommend that an annual review provision be included in the program.

In conclusion, the Irrigators believe that the proposed load control program can provide a valuable demand side resource to PacifiCorp, as well as a valuable cost saving measure for the Irrigators, if the terms of the program are further refined so as to allow adequate participation. The only way to have adequate participation is by appropriately pricing the credit for interruptibility. Further information is clearly needed for the Commission, the Commission Staff, and the Irrigators to thoughtfully make such a determination.

Respectfully submitted this 6th day of March, 2003.

RACINE, OLSON, NYE, BUDGE &
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By  for
ERIC L. OLSEN
Attorneys for the Idaho Irrigation Pumpers
Association, Inc.

CERTIFICATE OF MAILING

I HEREBY CERTIFY that on this 6 day of March, 2003, I served a true, correct and complete copy of the Idaho Irrigation Pumpers Association, Inc.'s Comments Re: PacifiCorp's Irrigation Load Control Credit Rider to each of the following, via U.S. Mail, e-mail or hand delivery:

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